



#3.

DEPARTMENT OF PLANNING  
STAFF REPORT

---

BOARD OF SUPERVISORS PUBLIC HEARING

---

Date of Meeting: September 11, 2007

**SUBJECT: CPAM 2007-0001, Housing Policies**

**ELECTION DISTRICT: Countywide**

**CRITICAL ACTION DATE: 90 Days from Planning Commission action**

**RECOMMENDATIONS:**

**Planning Commission:** The Planning Commission has scheduled a final Worksession on September 10, 2007 for the purpose of certifying their recommendations and to provide the Board a full 90 days for CPAM review.

**Staff:** Staff endorses the Planning Commission's recommendations to amend the Revised General Plan Chapter 2, Planning Approach, by replacing existing Housing Policies with revised policies that support the development of housing to fulfill unmet housing needs and by adding definitions to the Glossary that support the proposed policies (Attachment 1).

---

**EXECUTIVE SUMMARY**

On April 3, 2007, the Loudoun County Board of Supervisors initiated an amendment to the Loudoun County Comprehensive Plan to broaden and update countywide housing policies (CPAM 2007-0001, Housing Policies). The proposed policies, initially developed by the Housing Advisory Board (HAB), include providing a focus on the housing need for households with incomes from 0% to 100% of the Washington Area Median Income (AMI, \$94,500 for 2007). Proposed policy revisions would clarify the County's continuum of housing need and provide direction for program initiatives to address the need. The CPAM would amend the Revised General Plan Chapter 2, Planning Approach, by replacing existing Housing Policies with revised policies that support the development of housing to fulfill unmet housing needs and by adding definitions to the Glossary that support the proposed policies (Attachment 1).

**SUGGESTED MOTIONS**

1. I move that the Board of Supervisors forward CPAM 2007-0001, Housing Policies to a Committee of the Whole for further discussion.

OR

2. I move an alternate motion.

## **INTRODUCTION:**

In July 2005, the Board of Supervisors appointed a 12-member Housing Advisory Board (HAB) to study the supply and demand for affordable housing and recommend housing policies and programs to address the County's needs. The HAB commissioned the AECOM<sup>1</sup> study that compared the County's housing supply with existing and projected job growth to determine the extent of workers in the County who live elsewhere because of a shortage of affordable housing. Based on this study and subsequent policy discussions with the Affordable Dwelling Unit Advisory Board (ADUAB), the HAB forwarded revised housing policies to the Board of Supervisors for consideration. On April 3, 2007, the Board of Supervisors initiated an amendment to the Loudoun County Comprehensive Plan to broaden and update Countywide housing policies (CPAM 2007-0001, Housing Policies).

## ***AECOM STUDY***

The study's principal conclusion, drawn from a comparison of thirty-one peer counties with similar populations, relatively high earnings, and suburban characteristics, determined that there is a shortage of both rental and for-sale units available for Loudoun's workers. This shortage results in a disproportionate number of workers in four major sectors of the County's economy, (retail, local government including teachers, police and firefighters, warehouse and transportation including Dulles Airport) who represent approximately 44% of the workforce, commuting into Loudoun for employment. The study shows that the average annual salary for workers in these industries in 2005 does not provide adequate income to support the average price of a new or existing housing unit, which is \$568,959. The study estimates that in 2003, an additional 12,578 affordable housing units were required to house these selected in-commuting workers in the industries in which a disproportionately large amount of in-commuting occurred. That figure is projected to increase to 29,836 affordable units by 2030 for these workers.

As Loudoun County continues to grow, additional workers are needed in most of the affected industries, exacerbating the housing affordability problem. The study also shows that approximately 50% of Loudoun's residents commute to relatively high paying jobs outside the County, in the federal government, educational and health services, and information industries. The higher priced housing being produced in the County may be more affordable to out-commuting workers.

The AECOM study identifies a shortage in rental housing options that is expected to worsen over time for households up to 60% of the Washington Metropolitan Statistical Area Median Income (AMI). Over time, the rental housing shortage is expected to worsen for households at incomes from 10% to 50% AMI with the most severe shortage in 2030 for households at 50% AMI. Likewise, the study shows that there is a shortage of affordable homeownership opportunities for households from 50% to 100% AMI that will worsen over time, especially for incomes at 80% AMI. The study showed that a majority of Loudoun County households earns more than 125% AMI. However, to maintain a healthy, vigorous economy, Loudoun's business community needs an adequate workforce which has a variety of housing options for workers of all industries and all income levels.

---

<sup>1</sup> Basic Housing and Employment Data and Projections; AECOM Consult; June 2006. A copy of the AECOM study and executive summary are available at [www.loudoun.gov/planning/housing](http://www.loudoun.gov/planning/housing) and in the Department of Planning.

## **PROPOSED POLICIES**

The proposed policies are based on the following principles: residents and workers should be served by a range of housing opportunities; housing diversity is important to the health of the community; the market cannot meet all areas of need; and, programs and other initiatives are required to address the needs of residents and workers priced out of the market.

The proposed amendment removes outdated information, re-arranges existing policies into categories, and adds new policies and definitions that clarify the County's ongoing need for affordable housing and provides direction for program initiatives to address the need. More specifically, the proposed policies focus on the housing need for households with incomes from 0% to 100% of the Washington Area Median Income (AMI, \$94,500 for 2007). The proposed policies also speak to:

- Locating near transit and employment opportunities,
- Bringing affordable housing up to safe and livable conditions,
- Incentives to encourage private investment,
- Regional cooperative efforts,
- Prioritizing public land and resources,
- Universal design, and
- Energy efficiency.

## **CURRENT PLAN POLICIES**

The County's current housing policies were adopted in July 2001 as part of the Revised General Plan. The Plan's primary housing objective is to assure that all existing and future County residents can be served by a range of housing opportunities. The Plan also states that housing for special populations incorporating a programmatic approach must be furnished.

Since 2001, the County has experienced a disproportionate number of workers who commute into Loudoun every day. As demonstrated in the AECOM study, housing prices and rents are becoming too costly for many workers and the greatest need for housing is for those workers at 100% or below AMI.

Under current County adopted ordinances and programs, the County's adopted definition for "affordable" housing is housing affordable to County residents with incomes ranging from 30 percent to 70 percent of the median income. There is a need for housing for residents and workers that earn up to 100% AMI and the proposed policies provide this flexibility to address housing needs on a broader basis through a variety of approaches.

## **SCOPE OF ACTIVITIES**

The Planning Commission began work on the CPAM in May 2007 and has since held a Public Input Session and several Worksessions on the proposed policies. A Planning Commission Public Hearing was held on July 16, 2007. Seven members of the public spoke. All speakers generally support the CPAM with the exception of one speaker who expressed concern that current zoning has undermined the County's ability to achieve affordable housing. Copies of written comments received at the hearing and via mail are attached (Attachment 2). The Commission has scheduled a

final Worksession on September 10, 2007 for the purpose of certifying their recommendations and to provide the Board of Supervisors a full 90 days for CPAM review. In anticipation that the CPAM would be forwarded to the Board in September, staff provided an informational briefing to the Transportation/Land Use Committee on July 23. Several members of the Human Services Committee were in attendance at the briefing.

Members of the Housing Advisory Board have provided technical assistance to the Commission throughout the public process and provided several presentations to the Commission. Members of the Housing Advisory Board remain available to assist the Board in their discussions.

### **ANALYSIS**

The lack of affordable housing for residents and workers is recognized as an economic, transportation, and quality-of-life issue. The proposed amendment is an important update to the 2001 Revised General Plan housing policies by providing specific policy direction for addressing unmet affordable housing needs. Without this policy direction, affordable housing deficits will continue over time. The proposed policies define unmet housing needs as the lack of housing available for households that earn up to 100% of the Washington Area Median Income. The proposed policies provide the policy framework and programmatic direction for starting to address these needs. Staff supports the proposed policies included in the plan amendment.

### **IMPLEMENTATION**

Staff suggests amending the Revised General Plan, Chapter 2, Planning Approach, by replacing existing Housing Policies with revised policies that support the development of housing to fulfill unmet housing needs and by adding definitions to the Glossary that support the proposed policies (Attachment 1).

The proposed CPAM will be implemented during the review of applicant-initiated rezonings and through other housing programs and initiatives.

### **FISCAL IMPACT**

No new local funding is required to draft the proposed policy change or to administer the proposed changes to the Revised General Plan. Resources for implementing initiatives (to include future amendments to the County's Zoning Ordinance and other regulatory documents) will need to be identified through further scoping and scheduling.

**STAFF CONTACT:** Cindy Keegan, Department of Planning

### **ATTACHMENTS**

1. CPAM 2007-0001, Housing Policies, new text/strike-through text shown (*pg. A-1*)
2. Written Public comments received (*pg. A-11*)

## Proposed Changes to the Housing Policies of the Revised General Plan (Chapter 2, pp. 2-12 to 2-15)

Key:

- Double underlined, **red color**, new text
- Strike-through, **blue color**, deleted text

### Housing

The County's primary housing objective is to assure that existing and future County residents and the workforce are served by a range of housing opportunities. An adequate supply of varied types of housing, both rental and for-sale, in convenient locations throughout the County is a fundamental ingredient of an enduring community. The creation of sustainable housing its design, density, location, and performance requires that the pattern of residential development ~~its design, density, location, and performance~~ benefit the user now and over time. ~~The primary housing objective is to assure that all existing and future County residents can be served by a range of housing opportunities.~~ To accomplish this objective, purpose, a diversity of housing types in a broad range of prices should be provided. Housing opportunities should ~~must~~ be available in all areas of the County. Housing for special needs populations incorporating a programmatic approach also should ~~must~~ be furnished.

The supply of single-family detached, attached and multi-family housing (~~unit types and prices~~) and their pricing is largely a function of market dynamics. The residential market ~~plays the primary role in~~ determines the type of housing to be constructed, based upon regional demands for specific housing types and the potential return on investment for the developer. ~~If supply for a particular housing product is constrained and demand for that product is high, then prices will increase. If there is anticipation that the supply of a desired product may become constrained in the future, prices will also increase. If the price becomes too high, substitution may occur through selection of a different housing type, or shift to an alternative market.~~ Loudoun's experience is that the market alone cannot meet all areas of housing need given current and projected job growth for the regional economy. Unmet housing needs occur across a broad segment of the County's income spectrum. The County defines unmet housing needs as the lack of housing options for households that are unable to rent or purchase due to insufficient incomes to meet current market prices. Housing diversity in type and price to address unmet needs will enhance Loudoun's economic vitality and the health of the community now and over time.

~~Housing production involves "hard" and "soft" costs. "Hard" costs include the purchase price of land, site preparation and construction and marketing the product. The "soft" costs include financing, construction loans, bonds for site preparation, settlement costs related to the sale of the product, governmental fees, permits, proffers, and amenities. These costs are passed on to the consumer of the product.~~

As total demand for housing in Loudoun has increased over the past ~~four years~~ fifteen years, ~~townhouse and condominium~~ single-family attached and multi-family units have gained a greater share of the for-sale market, while single-family detached homes and lots have accounted for a decreasing share. In 1990, single-family detached units represented ~~65% percent~~ 54% of the County's housing stock, whereas single-family attached units constituted ~~19% percent~~ 27% and multi-family units constituted ~~14% percent~~ 49%. By 2005, single-family detached units represented ~~54% 56 percent~~ 54% of all homes; single-family attached units ~~25 27% percent~~ 27%, and multi-family units, ~~19% percent~~ 19%. By 2005, single-family detached homes units and lots accounted for only ~~50 49% percent~~ 49% of sales, compared to ~~58% percent~~ 58% of sales in 1990. ~~The increased market share of the townhouse and condominium products as mentioned earlier is linked to the strong employment growth in and around the County. These additional jobs create demand from additional households, many of which are seeking a smaller and more affordable housing unit than a detached home. Increased employment growth in and around the County will attract a larger percentage of renter households than in the past, although it is still projected that 80 percent of new household growth in Loudoun over the next twenty years will be homeowners.~~ Although the types of housing offered in the market are diversifying, housing costs are high and the shortage of affordable housing for residents and the workforce is growing.

The County can influence ~~the housing market~~ housing options and affordability by encouraging or requiring a clustered pattern of development and mixed-use communities ~~requiring with~~ requiring with a diversity of housing types. To achieve this, the County ~~can~~ should allow higher residential densities that are close to employment opportunities, schools, community centers, transit routes and other amenities ~~and town centers~~, where adequate water, sewer, roads, schools, open space, and recreation are, or will be in place. In and of themselves, increased densities are not the only answer to influencing the market. Flexibility in lot sizes and setback requirements, and a relaxation of use restrictions ~~and programmatic options~~ are also necessary to achieve the desired product mix. The County can ~~also allow permit~~ allow permit accessory and second-story apartments in existing villages and rural clusters and provide for a variety of unit types to be developed in designated Joint Land Management Areas (JLMAs) around the towns that have them. The County can form public-private partnerships to implement programs, providing incentives to influence the market.

#### A. Affordable Housing Affordability

Housing affordability has long been an issue in the Washington, D.C. metropolitan region ~~housing market~~. Affordability becomes a problem when ~~housing prices~~ the cost of housing exceeds an acceptable percentage of a household's disposable income. ~~When confronted by high housing prices relative to household incomes, h~~ Households that are determined to reside in the

metropolitan area can either pay a disproportionately large amount of their income to secure housing, or pay less and secure for lower quality or less adequate housing. ~~The Board of Supervisors, in developing Loudoun County's approach~~ vision for its residents, the Board of Supervisors has recognized affordable housing as an economic, transportation, and quality-of-life issue. ~~As is the case in the region, w~~While the County is providing a significant share of its the region's housing, prices and rents are at a level that is too costly for many workers of Loudoun's workforce. Workers filling jobs in Loudoun often live in other jurisdictions and generate traffic on local roads as they travel commute to work, increasing air pollution and gas consumption. Some housing units contain multiple families or additional occupants, resulting in overcrowded conditions which adversely affect neighborhoods and quality of life. The lack of affordably priced housing also has an impact on the continued ability to attract and retain a diversified employment base.

### **B. Unmet Housing Needs**

The County's affordable housing policies focus on the unmet housing needs of all Loudoun's citizens and workers. The market is not meeting all areas of need given the County's vibrant economy and location in the region. The County's housing strategy gives guidance to the development of a variety of programs that address Loudoun-specific needs as identified through systematic audit, evaluation, and study. The County has identified that, within the broad spectrum of housing need, different levels of effort and varying approaches must be applied in order to effectively address the problem of housing affordability.

Providing housing for special needs populations to include low-income residents (less than 30% AMI), elderly residents requiring congregate care, disabled residents, and the homeless often requires heavy subsidies, which have historically been provided by the federal and state governments. Given the reduction of federal and state assistance, the County is committed to identifying resources to replace that assistance as well as encouraging the formation of public and private partnerships to support the development of housing for people who are elderly, disabled, or living on very low incomes.

To address the unmet housing needs of Loudoun's workforce earning 30% to 100% AMI, a combination of loans, a full range of tools to include loans, regulations, and other incentives should be considered applied. One important program is the Affordable Dwelling Unit (ADU) program. In 1990, the Board of Supervisors adopted a definition for "affordable" housing to include This program, adopted in 1993 as part of the Zoning Ordinance is based on state enabling legislation, and aimed at fulfilling the housing needs of County residents with incomes from 30% percent to 70% percent of the County's median household income AMI.

Generally, rental units should house The ADU rental units are designed to serve residents earning 30% to 50% of the County's median income AMI. The units should be available at annual prices equal to and priced at 30% percent of income (exclusive of utilities). Generally, those residents with incomes at ADU for-sale units are designed to serve residents with incomes of 50% percent to 70% percent should be able to purchase housing AMI. For-sale units should be available at 2.5 3 times that income. As important as this program is to providing affordable housing to County residents, it has not been able to keep pace with the growing demand. In addition, there are deficiencies in the implementation of the ordinance that lessens its effectiveness to secure affordable housing for households in the lower range of the ADU program. This program alone cannot meet the need.

Building on the commitments to and definition of affordable housing, the County has adopted ordinances and programs focused on the actual production of affordable units. By developing the Affordable Dwelling Unit (ADU) Ordinance and program in 1993, the County took advantage of state enabling legislation that allows a locality to mandate the construction of dwelling units in an affordable price range to ensure a variety of housing prices in the market. The program requires that construction and continued existence of dwelling units that are affordable for purchase or rent in accordance with the Board's definition of affordable for the Primary Metropolitan Statistical Area (PMSA).

The County should establish a housing trust fund with a dedicated source stream of revenue to fund the housing trust fund which would leverage federal, state, and other funding sources for the production of new units, to provide down payments for first-time homebuyers and to purchase land for affordable housing development. Part of ~~t~~the affordability issue also includes developing strategies to retain preserve the existing supply of owner-occupied housing and the existing supply of subsidized affordable rental units. As such, the Plan recommends other programmatic initiatives aimed at revitalization, renovation, and restoration of the existing housing stock, development of provisions to allow manufactured housing as an option, and that the government plays a larger role in the provision of housing opportunities the commitment of County government to play a greater role in addressing unmet housing needs.

## **B. Housing for Special Needs Populations**

Special populations include low income residents (incomes below the 30 percent affordable minimum), elderly residents requiring congregate care, disabled residents, and the homeless. The provision of housing for these populations often requires heavy subsidies, which have historically been provided by the federal and state governments. Given the reduction of federal and state assistance, the County is committed to the formation of public and private partnerships to support the development of housing for people who are elderly, disabled, or living on very low incomes.

## Housing Policies

### Guiding Principles Policies

1. The County seeks to promote housing options for all people who live and/or work in Loudoun.
2. County policies and programs will focus on the unmet housing needs of households earning up to 100% of the Washington Metropolitan Area Median Income (AMI) that being ~~as that is~~ the area of greatest need.
3. The County will regularly examine and estimate unmet housing needs, and housing programs will be evaluated for their effectiveness in addressing those needs.
4. Housing that is developed to fulfill unmet housing needs should generally be located near existing or planned employment opportunities centers, schools, communities centers, transit routes, and other amenities.
5. The County is committed to bring all existing ~~substandard~~ affordable housing in need of indoor plumbing, operational septic and water systems, and major system repair (new roofs, heating and cooling systems) up to ~~current health and safety standards~~ safe and livable conditions.
- ~~2.6.~~ The County encourages a variety of housing types, sizes and innovative designs to be developed in ~~mixed-use communities~~ to assist in achieving affordable housing goals. fulfilling unmet housing needs throughout the County.
- ~~3.7.~~ The County will require a mix of housing options appropriately located in communities to support a balanced development program.
- ~~6. The maintenance, conservation, redevelopment and improvement of existing residential development will be preferable development tools vs. new development on formerly non-residential land.~~
- ~~11. The County will seek state enabling legislation to eliminate the exemption from the ADU Ordinance of buildings with elevators that are four stories or higher.~~ **MOVED TO LEGISLATIVE POLICIES, #2**
- ~~10. The County endorses the formation and operation of a not for profit housing corporation to deliver affordable housing units that meet the Board of Supervisors' definition of affordable for sale and for rent units and provide for the housing needs of special populations.~~
- ~~20.8.~~ The County will encourage the formation of public and private partnerships to develop ment of housing for special needs populations (as defined in the

Glossary) ~~that are~~ integrated within existing and planned residential communities, particularly in areas within walking distance of convenience shopping and employment opportunities, transit, and other amenities.

~~22.9.~~ The County will promote ~~the formation of public and private partnerships for the provision of an affordable range of housing types throughout the County, to address the needs of lower income families by facilitating the private provision of this housing in the County's regulations and by assisting in the utilization of state and federal programs.~~

~~23.10.~~ The County will promote the formation of public and private partnerships ~~for the provision of an affordable range of housing types throughout the County to address the needs of lower income families by~~ and ~~facilitating the private provision of this housing in the County's regulations and by assisting in the utilization of state and federal~~ housing ~~programs to assist in fulfilling unmet housing needs.~~

11. The County supports the development of housing and of communities that apply universal design principles.

12. The County encourages development that utilizes energy efficient design and construction principles, promotes high performance and sustainable buildings, and minimizes construction waste and other negative environmental impacts.

### Housing Supply Policies

4.1. The County will identify options for addressing ~~affordable housing development~~ unmet housing needs ~~in the Transition Policy Area~~ not covered by the ADU zoning ordinance and work toward an implementation plan.

7.2. The County will encourage preservation by adaptive re-use of existing ~~rural farm~~ unused, or underutilized structures throughout the County, ~~such as barns,~~ for the development of affordable dwelling units, as defined in the Zoning Ordinance and in accordance with the policies in the *Revised General Plan*.

### Cooperation Policies

1. The County will initiate a regional cooperative effort with neighboring jurisdictions to establish a dialogue and programs to address the provision of a healthy balance of jobs and housing in each jurisdiction.

~~5.2.~~ The County will provide technical planning expertise and financial support to the Towns to assist them in establishing ~~redevelopment and revitalization~~ programs that provide affordable housing. Such programs might include a revitalization tax credit program, housing rehabilitation, the development of regulations that allow for a broad range of housing types and sizes and upper story residential uses over stores, etc.

~~15.3.~~ The County will work in partnership with nonprofit, public and private sector and ~~not-for-profit~~ entities agencies committed to the provision of a wide range of ~~affordable~~ housing opportunities by offering technical and financial assistance.

### Funding Policies

~~13.1.~~ Developers of residential and mixed-use projects are encouraged to include ~~affordable housing proffers~~ funding commitments and proffers to fulfill unmet housing needs in their development proposals.

~~14.2.~~ The County will maintain ~~establish a housing trust fund to provide a stable, broad-based funding source for affordable housing initiatives. The housing trust fund can be used to leverage federal, state, and other funding sources, provide down payments for first time home buyers, to purchase land for the development of affordable housing, for construction gap financing, and rental assistance, etc. through with~~ a dedicated revenue stream source such as a portion of the County property tax or the recordation tax, to address unmet housing needs. to fund the housing trust fund to address unmet housing needs. The fund will be evaluated annually to determine its effectiveness and efficiency.

### Programs and Incentives Policies

1. The County will encourage the creation of programs, tools and incentives both publicly and privately developed that will fulfill unmet housing needs.

~~12.2.~~ The County may ~~will~~ provide ~~special~~ incentives to stimulate the development of new housing projects when the applicant demonstrates the capacity to ~~e~~affect economic efficiencies in producing and sustaining affordable rents and ~~or~~ or sale prices over time ~~that meet the County's adopted definition of affordable.~~

~~17.3.~~ The County may ~~will~~ adopt or develop and implement an employer-assisted housing program to help meet workers' housing needs.

18.4. The County ~~may will~~ develop and implement a revitalization tax credit programs and/or loan programs for housing rehabilitation to conserve existing affordable housing.

5. ~~The County may will consider establish additional a process for establishing incentives, such as which would might included density bonuses or transfers; expedited application review; reductions or waiver of permit, development, and infrastructure fees or capital facilities contributions; tax credit programs; and zoning modifications to meet annual housing goals and objectives.~~

6. ~~The County will develop and maintain an the inventory of County-owned real property. publicly land that could be suitable for residential use and development to address unmet housing needs. Priority on the use of this land should be given to special needs housing and households at less than 70% of area median income and~~ The Board of Supervisors may consider the use of inventoried property by nonprofit, public and private sector entities as an incentive for residential development to fulfill unmet housing needs when it is consistent with other Plan policies. In using County-owned real property, the development goal is to provide 1) special needs housing and/or 2) a mix of housing types and sizes suitable for a range of households having less than 70% of Area Median Income (AMI).

7. The County promotes the recognition of good design and innovation in affordable housing by the Design Cabinet, County programs, and other channels.

### Legislation Policies

8.1. The County requires that for land development applications proposing development of 50 or more dwelling units with a density greater than one dwelling unit per acre, located in an approved sewer service area, a percentage of the total number of dwellings will be developed as affordable units and given an appropriate density increase. ~~The County will determine an average annual affordable housing production level by evaluating the affordable home ownership and rental needs of the projected population as relates to the County's fiscal capability to provide public services to new residential development.~~

9.2. The County will seek state enabling legislation to eliminate the exemption from the ADU Ordinance of buildings with elevators that are four stories or higher. ~~The County will seek state enabling legislation to allow for the provision require the development of affordable dwelling units as part of in developments less than 50 units, as well as buildings four stories or greater with elevators.~~

~~10.3.~~ The County will strengthen ADU Program regulations to do as much as the state code allows to require the development of affordable housing that is interspersed within neighborhoods, communities and throughout the County as a part of new development.

~~16.4.~~ ~~The County will establish a Housing Authority as provided for by the State Code to develop new affordable housing, rehabilitate housing, and revitalize community infrastructure.~~ Until such time as a Housing Authority is established to develop new affordable housing, rehabilitate housing, and revitalize community infrastructure, the County encourages the Industrial Development Authority to exercise its authority to assist with tax exempt bond financing, leverage gap financing and stimulate cooperative partnerships toward the preservation and production of housing to address unmet needs.

~~24.5~~ The County will amend the Zoning Ordinance to expand the number of districts where manufactured housing, accessory units, and other alternative housing types are allowed.

#### **TO BE ADDED TO THE GLOSSARY**

##### **Manufactured Housing:**

Manufactured housing are homes built entirely in the factory, transported to the site, and installed under a federal building code administered by the U.S. Department of Housing and Urban Development (HUD).

##### **Special Needs Population:**

Special needs populations include low income residents (incomes below the 30 percent Area Median Income (AMI)), elderly residents requiring congregate care, disabled residents, and the homeless.

##### **Universal Design:**

The simple design of both products and the built environment to be usable by people of all ages and abilities, and which promotes the ability for people to age in place.

##### **Unmet Housing Needs:**

The lack of housing options for households earning up to 100% of the Washington Metropolitan Area Median Income (AMI).

**This page intentionally left blank.**

Comments to Draft Housing Policies (July 16, 2007) from Rose Ellen Ray, representing Citizens for Property Rights. I serve as treasurer and economics advisor.

I should comment that I asked the BOS not to pass the second county downzoning until these housing needs were addressed.

CPR recommends the total rewriting of the draft for the following reasons:

Under "Housing"

1. The county cannot "assure" "a range of housing opportunities." Assure means to guarantee, make sure or certain.

(a) A truthful first paragraph might read:

"The County's primary housing objective is to reduce the number of building units wherever possible to maintain an upscale, semi-rural atmosphere in most of the county. It cannot repair the destruction of the historic relationship between housing values and household income, because too much land has been reserved for the wealthiest homeowners. However, the county will increase subsidies to a token few needy homebuyers. It most certainly cannot help the many moderate-income, first-time homebuyers who are priced out of homeownership in Loudoun."

(b) What definition of "sustainable" are you using in "The creation of 'sustainable' housing? I believe it is the United Nations' definition. Most people don't know it; so it should be footnoted.

2. The second paragraph is also a lie. Yes, the market is no longer able to respond to market dynamics. Why? Because the county has decided to ration the most important raw material for the construction of housing—LAND. The "market failure" is caused by government policy. What do you expect?

CPR recommends that the entire second paragraph be deleted.

I will quote from a Heritage Foundation publication by economists Drs. Wendell Cox and Ronald D. Utt, January 22, 2007, "Backgrounder" entitled: "Housing Affordability: Smart Growth Abuses Are Creating a 'Rent Belt' of High-Cost Areas": ([www.heritage.org/Research/SmartGrowth/bg1999.cfm](http://www.heritage.org/Research/SmartGrowth/bg1999.cfm) ).

"In Virginia, where many of the fast-growing counties began to enact stiff land-use regulations in the late 1990s, the homeownership rate has fallen from 75.1 percent of households in 2001 to 71.2 percent in 2005—the largest decline of any state."

CPR asks that your housing policy CPAM reflect the TRUTH. Loudoun must admit that there is only so much that can be done to increase housing for the poor and moderate-income people. Loudoun has chosen to attract the wealthy, and we have to live with that.

There is one way to help at least the middle class who work here. Allow them to live outside the county and commute in on adequate roads. That is really the only alternative you have to work with in any significant manner.

On page 7, "Cooperation Policies" – No. 1. Just how are you going to create a "healthy balance of jobs and housing in each jurisdiction? You are advocating central planning—always a failure. More programs and more bureaucracy! The only way I know is to release the stranglehold you have on privately owned land, and that will never happen.

Look at the land use map of Loudoun. There is no room for the house-seeking middle class. Until that policy changes, "affordable" housing is a pipe dream, a ruse.

**MOST OF THE DRAFT MUST BE DELETED OR REVISED TO BE TRUTHFUL.**



**The Arc of Loudoun**

Handout  
7.16.07 PCPH

P.O. Box 243 \* Leesburg, VA 20178-0243

Voice: (703) 777-1939 • Fax: (703) 779-2708 • [larclady@aol.com](mailto:larclady@aol.com) • [www.loudoun-arc.org](http://www.loudoun-arc.org)

July 16, 2007

TO : Loudoun County Planning Commission  
FROM : Clarice Dieter, Advocacy Coordinator, Larc  
SUBJECT : CPAM 2007-0001  
COUNTYWIDE HOUSING POLICIES (Comprehensive Plan  
Amendment)

I'd like to thank you for your careful and thoughtful consideration of the proposed changes to the Housing Policies at your work session July 9. There is such a need for affordable housing opportunities, particularly for our more vulnerable county residents: citizens with incomes below 30% of median, the working poor, people with disabilities living on SSI and SSDI, as well as seniors with incomes below 30% of median.

Most of those described above fall under your Special Needs Population definition. Many use Section 8 Housing Choice Vouchers to be able to afford an apartment rental. Those who are on the HCV wait list and not so fortunate cannot afford to rent an apartment here without a rental subsidy.

Larc supports the revisions you have made to the housing policies, and asks again that a dedicated funding stream and/or rent subsidy funding be considered for our most vulnerable citizens. Thank you.



*"Working towards a positive future for people with mental retardation and related developmental disabilities"*

**The  
Arc**

United Way # 8139

A-13

**This page intentionally left blank.**

# LOUDOUN COUNTY CONTINUUM OF CARE

Beth Rosenberg  
Public Co-chair

Adrienne Miller  
Private Co-chair

In Care of:  
Beth Rosenberg  
Loudoun County  
Department of Family Services  
102 Heritage Way, NE  
Suite 103  
Leesburg, VA 20176

DATE: July 16, 2007  
TO: Loudoun County Planning Commission  
FROM: Loudoun County Continuum of Care  
RE: Comments on the Proposed Changes to CPAM 2007-0001

The July 9, 2007 draft of the Proposed Changes to the Housing Policies of the Revised General Plan (Chapter 2, pp. 2-12 to 2-15) has made some specific recommendations to facilitate the availability of affordable housing in Loudoun County. These recommendations will strengthen the ability of persons whose household income lies in the 30% to 70% AMI range, a population for whom there is a severe shortage of affordable housing.

However, the proposed recommendations lack a specificity regarding those persons whose AMI lies below the 30% AMI. The August 1, 2006 AECOM Report indicates that affordable housing does not exist in Loudoun County for households with incomes at or below 30% AMI. This most severe shortage of affordable housing options for very low-income households impacts them negatively in a number of ways, by directly threatening the stability of individuals and families by neglecting their need for stable and appropriate housing.

We urge the Planning Commission Members to include in the recommended policy changes the following:

1. To dedicate an annual percentage of the Housing Trust Fund to be used specifically to address the affordable housing needs for persons with incomes that fall below 30% AMI.

2. To explicitly expect of developers, as part of their plans, possible ways of incorporating appropriate housing in their developments for low-income persons.

3. To encourage through these policies the support of various options for partnerships, developers, and individuals to make the development of housing for those who are low-income more doable and achievable.

Submitted with this memo are specific wording changes to the July 9 draft policies. We believe these changes will make the County's commitment and willingness to address the lack of affordable housing for the poorest of County residents more explicit and ensure they are not overlooked.

Thank you.

**Recommended Changes to the Text of the  
Proposed Changes to the Housing Policies  
of the Revised General Plan (Chapter 2, pp. 2-12 to 2-15)**

**Submitted text in boldface  
By the Loudoun County Continuum of Care**

**July 16, 2007**

The County's primary housing objective is to assure that existing and future County residents and the workforce are served by a range of housing Opportunities. An adequate supply of varied types of housing, both rental and for-sale, in locations throughout the County is a fundamental ingredient of an enduring community. The creation of sustainable housing-its design, density, location, and performance-requires that the pattern of residential development benefit the user now and over time. To accomplish this objective, a diversity of housing types in a broad range of prices should be provided. Housing opportunities should be available in all areas of the County. Housing for special needs populations incorporating a programmatic approach also should be furnished.

The supply of single-family detached, attached and multi-family housing and their pricing is largely a function of market dynamics. The market determines the type of housing to be constructed, based upon demands for specific housing types and the potential return on investment for the developer. Loudoun's experience is that the market alone cannot meet all areas of housing need given current and projected job growth for the regional economy. Unmet housing needs occur across a broad segment of the County's income spectrum. The County defines unmet housing needs as the lack of housing options for households that are unable to rent or purchase due to insufficient incomes to meet current market prices. Housing diversity in type and price to address unmet needs will enhance Loudoun's economic vitality and the health of the community now and over time.

As total demand for housing in Loudoun has increased over the past fifteen years, single-family attached and multi-family units have gained a greater share of the for-sale market, while single-family detached homes and lots have accounted for a decreasing share. In 1990, single-family detached units represented 65% of the County's housing stock, whereas single-family attached units constituted 19% and multi-family units constituted 14%. By 2005, single family detached units represented 54% of all homes; single-family attached units 27%, and multi-family units, 19%. By 2005, single-family detached units and lots accounted for only 49% of sales, compared to 58% of sales in 1990. Although the types of housing offered in the market are diversifying, housing costs are high and the shortage of affordable housing for residents and the workforce is growing.

The County can influence housing options and affordability by encouraging or requiring a clustered pattern of development and mixed-use communities with a diversity of housing types **to facilitate a true mix of housing appropriate for the diverse needs, range of incomes, and realities of County residents.** To achieve this, the County should allow higher residential densities that are close to employment opportunities, schools, community centers, transit routes and other amenities where adequate water, sewer, roads, schools, open space, and recreation are, or will be in place. In and of themselves, increased densities are not the only answer to influencing the market. Flexibility in lot sizes and setback requirements, and relaxation of use restrictions are also necessary to achieve the desired product mix. The County can permit accessory and second-story apartments in existing villages and rural clusters and provide for a variety of unit types to be developed in designated Joint Land Management Areas (JLMAs) around the towns that have them. The County can form public-private partnerships to implement programs, providing incentives to influence the market **and address the need for stable housing suitable for persons whose lack of housing adversely impacts their ability to work.**

#### **A. Housing Affordability**

Housing affordability has long been an issue in the Washington, D.C. metropolitan region. Affordability becomes a problem when the cost of housing exceeds an acceptable percentage of a household's disposable income. Households that are determined to reside in the metropolitan area can either pay a disproportionate amount of their income to secure housing, or pay less for lower quality or less adequate housing. In developing Loudoun County's vision for its residents, the Board of Supervisors has recognized affordable housing as an economic, transportation, and quality-of-life issue. While the County is providing a significant share of the region's housing, prices and rents are at a level that is too costly for many of Loudoun's workforce. Workers filling jobs in Loudoun often live in other jurisdictions and generate traffic on local roads as they commute to work, increasing air pollution and gas consumption. Some housing units contain multiple families or additional occupants, resulting in overcrowded conditions which adversely affect neighborhoods and quality of life. The lack of affordably priced housing also has an impact on the continued ability to attract and retain a diversified employment base.

#### **B. Unmet Housing Needs**

The County's affordable housing policies focus on the unmet housing needs of all Loudoun's citizens and workers. The market is not meeting all areas of need given the County's vibrant economy and location in the region. The County's housing strategy gives guidance to the development of a variety of programs that address Loudoun-specific needs as identified through systematic audit,

evaluation, and study. The County has identified that, within the broad spectrum of housing need, different levels of effort and varying approaches must be applied in order to effectively address the problem of housing affordability.

**To provide housing for low-income residents; the elderly or people with disabilities who need to have various housing options available suitable to their needs; the homeless; and those at risk for homelessness, the County is committed to identifying resources, encouraging the formation of public and private partnerships to support the development of housing for people and to elicit from developers concepts on how housing for these people might be incorporated into their plans.**

To address the unmet housing needs of Loudoun's workforce earning 30% to 100% AMI, a full range of tools to include loans, regulations, and other incentives should be considered. One important program is the Affordable Dwelling Unit (ADU) program. This program, adopted in 1993 as part of the Zoning Ordinance is based on state enabling legislation, and aimed at fulfilling the housing needs of County residents with incomes from 30% to 70% AMI.

The ADU rental units are designed to serve residents earning 30% to 50% AMI and priced at 30% of income (exclusive of utilities). ADU for-sale units are designed to serve residents with incomes of 50% to 70% AMI. For-sale units should be available at 3 times that income. As important as this program is to providing affordable housing to County residents, it has not been able to keep pace with the growing demand. In addition, there are deficiencies in the implementation of the ordinance that lessens its effectiveness to secure affordable housing for households in the lower range of the ADU program. This program alone cannot meet the need.

The County should establish a dedicated stream of revenue to fund the housing trust fund which would leverage federal, state, and other funding sources for the production of new units, **to fund housing opportunities for low income persons**, to provide down payments for first-time homebuyers and to purchase land for affordable housing development. The affordability issue also includes developing strategies to preserve the existing supply of owner occupied housing and affordable rental units. As such, the Plan recommends other programmatic initiatives aimed at revitalization, renovation, and restoration of the existing housing stock, provisions to allow manufactured housing as an option, and the commitment of County government to play a greater role in address unmet housing needs.

### **Guiding Principles Policies**

1. The County seeks to promote housing options for all people who live and/or work in Loudoun.

- 2 County policies and programs will focus on the unmet housing needs of households earning up to 100% of the Washington Metropolitan Area Median Income (AMI) that being the area of greatest need.
3. The County will regularly examine and estimate unmet housing needs, and housing programs will be evaluated for their effectiveness in addressing those needs.
4. Housing that is developed to fulfill unmet housing needs should generally be located near existing or planned employment opportunities, schools, communities, transit routes, and other amenities.
5. The County is committed to bring all existing affordable housing in need of indoor plumbing, operational septic and water systems, and major system repair (new roofs, heating and cooling systems) up to safe and livable conditions.
6. The County encourages a variety of housing types, sizes and innovative designs to be developed to assist in fulfilling unmet housing needs throughout the County.
7. The County will require a mix of housing options appropriately located in communities to support a balanced development program.
8. The County will encourage the development of **appropriate** housing for **those who need to receive various supportive services as well as those whose income is severely limited** integrated within existing and planned residential communities, particularly in areas within walking distance of convenience shopping and employment opportunities, transit, and other amenities.
9. The County will promote the provision of an affordable range of housing types throughout the County.
10. The County will promote the formation of public and private partnerships and facilitate the utilization of state and federal housing programs to assist in fulfilling unmet housing needs.
11. The County supports the development of housing and of communities that apply universal design principles.
12. The County encourages development that utilizes energy efficient design and construction principles, promotes high performance and sustainable buildings, and minimizes construction waste and other negative environmental impacts.

## Housing Supply Policies

1. The County will identify options for addressing unmet housing needs not covered by the ADU zoning ordinance and work toward an implementation plan.
2. The County will encourage preservation by adaptive re-use of existing unused, or underutilized structures throughout the County, for the development of affordable dwelling units, as defined in the Zoning Ordinance and in accordance with the policies in the *Revised General Plan*.

## Cooperation Policies

1. The County will initiate a regional cooperative effort with neighboring jurisdictions to establish a dialogue and programs to address the provision of a healthy balance of jobs and housing in each jurisdiction.
2. The County will provide technical planning expertise and financial support to the Towns to assist them in establishing programs that provide affordable housing. Such programs might include a revitalization tax credit program, housing rehabilitation, the development of regulations that allow for a broad range of housing types and sizes and upper story residential uses over stores, etc.
3. The County will work in partnership with nonprofit, public and private entities committed to the provision of a wide range of housing opportunities by offering technical and financial assistance.

## Funding Policies

1. Developers of residential and mixed-use projects are encouraged to include funding commitments and proffers to **address the full range of** unmet housing needs in their development proposals.
2. The County will maintain a dedicated revenue stream to fund the housing trust fund to address unmet housing needs **especially for low income and disabled persons**. The fund will be evaluated annually to determine its effectiveness and efficiency.

## Programs and Incentives Policies

1. The County will encourage the creation of programs, tools and incentives both publicly and privately developed that will fulfill unmet housing needs.
2. The County may provide incentives to stimulate the development of new housing projects when the applicant demonstrates the capacity to affect

economic efficiencies in producing and sustaining affordable rents or sale prices over time.

3. The County may adopt or develop and implement an employer-assisted housing program to help meet workers' housing needs.

4. The County may develop and implement revitalization tax credit programs and/or loan programs for housing rehabilitation to conserve existing affordable housing.

5. The County may establish additional incentives, such as density bonuses; expedited application review; reductions or waiver of permit, development, and infrastructure fees or capital facilities contributions; tax credit programs; and zoning modifications to meet housing goals and objectives.

6. The County will maintain an inventory of County-owned real property. The Board of Supervisors may consider the use of inventoried property by nonprofit, public and private sector entities as an incentive for residential development to fulfill unmet housing needs when it is consistent with other Plan policies. In using County-owned real property, the development goal is to provide 1) special needs housing and/or 2) a mix of housing types and sizes suitable for a range of households having less than 70% of Area Median Income (AMI).

7. The County promotes the recognition of good design and innovation in affordable housing by the Design Cabinet, County programs, and other channels.

### **Legislation Policies**

1. The County requires that for land development applications proposing development of 50 or more dwelling units with a density greater than one dwelling unit per acre, located in an approved sewer service area, a percentage of the total number of dwellings will be developed as affordable units **for those between 0% and 70% AMI** and given an appropriate density increase.

2. The County will seek state enabling legislation to eliminate the exemption from the ADU Ordinance of buildings with elevators that are four stories or higher.

3. The County will strengthen ADU Program regulations to do as much as the state code allows to require the development of affordable housing that is interspersed within neighborhoods, communities and throughout the County as a part of new development.

4. Until such time as a Housing Authority is established to develop new affordable housing, rehabilitate housing, and revitalize community infrastructure, the County encourages the Industrial Development Authority to exercise its authority to assist with tax exempt bond financing, leverage gap financing and stimulate cooperative partnerships toward the preservation and production of housing to address unmet needs.
5. The County will amend the Zoning Ordinance to expand the number of districts where manufactured housing, accessory units, and other alternative housing types are allowed.

### ***TO BE ADDED TO THE GLOSSARY***

#### **Manufactured Housing:**

Manufactured housing are homes built entirely in the factory, transported to the site, and installed under a federal building code administered by the U.S. Department of Housing and Urban Development (HUD).

#### **Special Needs Population:**

Special needs populations include low income residents (incomes below the 30 percent Area Median Income (AMI)), elderly residents requiring congregate care, disabled residents, and the homeless.

#### **Universal Design:**

The simple design of both products and the built environment to be usable by people of all ages and abilities, and which promotes the ability for people to age in place.

#### **Unmet Housing Needs:**

The lack of housing options for households earning up to 100% of the Washington Metropolitan Area Median Income (AMI).

**This page intentionally left blank.**

Handout  
7/16/07 PCPH

## Circle of Love Coalition

525-K East Market Street #228

Leesburg, Virginia 20176

(703) 771-6077

[colcoalition@gmail.com](mailto:colcoalition@gmail.com)

[helpthehomeless@yahoo.com](mailto:helpthehomeless@yahoo.com)

- Housing Policy of Loudoun County must recognize the reality of existing conditions. There are an increasing number of homeless people; those circumstantially and temporarily outside the traditional channels of identifying; investigating and securing the most basic of needs: a home, (or sometimes merely shelter).
- Without regard to the index of measurement, the growing number of "at-risk" individuals and families exceeds the County's anticipated responsibility. While the AMI may be a convenient benchmark for statistical purposes, it belies the fact of short-term; immediate need and the most efficient means to address that problem.
- Transitional Housing must play a role in the County's comprehensive plan for Housing Policy. The transitory situation of desperate need must not escape recognition of the Housing Policy. It is precisely the transitory nature of this emergency need that recommends greater attention. **Intervention with support makes sense.** Provision of short-term transitional housing alternatives to individuals and families can permanently interrupt a potentially devastating cycle of homelessness. Our neighbors aren't going away. Their investment, over years, in our State and our County, demands an effective response to their circumstance that provides the necessary assistance required to return them to a position of self-sufficiency.
- Integration of mixed-use property is a fundamental cornerstone to any effective Housing Policy. Without committed support,

↓  
30% AMI

developers will react to the market. It is imperative that the Housing Policy recognizes that addressing the intractable problem of homelessness is essential to the success of all our housing challenges. The market is made of people, and the needs of those on the lower end of the income scale require, and deserve an institutional recognition and response to encourage our County's continued prosperity.

- Modest State and County investment can reassure the Developer's community that their attention to the diverse needs of Loudoun County are in the long-term interests of all County residents. Addressing the reality of the needs of all our citizens is in everyone's best interest. Homelessness happens. Our aggressive response will insure that it only happens once.

**COUNTY OF PRINCE WILLIAM**

5 County Complex Court, Prince William, Virginia 22192-9201  
(703) 792-6830 Metro 631-1703, Ext. 6830 FAX (703) 792-4401  
Internet: [www.pwcgov.org](http://www.pwcgov.org)

**PLANNING  
OFFICE**

Stephen K. Griffin, AICP

Director of Planning

July 16, 2007

Cynthia Keegan, AICP, Project Manager  
Loudoun County  
Department of Planning  
1 Harrison Street, S.E., 3<sup>rd</sup> floor  
P.O. Box 7000  
Leesburg, VA 20177-7000



RE: Loudoun County Housing Amendment CPAM 2007-0001, Housing Policies

By FAX: (703) 777-0441

Dear Ms. Keegan:

This is in response to your letter addressed to Ray Utz, dated June 26, 2007, requesting comments from Prince William County on the above-referenced application. The Planning Office reviewed your proposal and also obtained comments from the County's Department of Housing and Community Development.

Prince William County is in the process of updating its Housing Chapter and the following are suggestions for inclusion in the Loudoun Plan. These suggestions (hopefully there is no duplication) are recommended to be included within the Policies sections of the plan if they are not included elsewhere in the Loudoun Plan. Fairfax County is also going through the same exercise. Loudoun County may want to review their proposed changes for additional suggestions.

- ☒ Consider stating strategies that more specifically provide for the elderly, disabled and homeless, i.e., for example, property tax relief for the elderly.
- ☒ State that property owner associations be encouraged.
- ☒ State that neighborhood watch-type programs be promoted.
- ☒ State that community maintenance programs be focused in older communities including public infrastructure improvements.
- ☒ State that street tree program be promoted in residential neighborhoods.
- ☒ State that green features be incorporated per LEEDS, ANSI or other organization standards.
- ☒ Require adu/wfhu with rezonings as well as with site/subdivision plans.
- ☒ State that the county should provide or acquire units it can pool for affordable or workforce purposes.

*An Equal Opportunity Employer*

A-27

Cynthia Keegan, AICP  
July 16, 2007  
Page 2 of 2

- ☒ State that revenue bonds are also a source of dollars that can be used to capitalize the Housing Fund. State if participation in the regional fund with COG is an option. Allow the local fund to also be used to pay for infrastructure so a developer can provide adu/wfu housing.
- ☒ State that adu/wfu be retained as adu/wfu. Encourage these units to remain in the County's inventory.
- ☒ Identify the need for staff resources to operate any and all programs that currently exist or that will be created.
- ☒ State that programs be maintained or created that move households from rental or transitional units to permanent housing preferably, owner occupied.
- ☒ State that support for VHDA tax credits can be provided when proposals for tax credits are consistent with zoning and Comp Plan. Possibly emphasize that VHDA tax credits can be supported when projects are for the elderly or will be rehabbed.
- ☒ State that adu/wfu be provided by faith-based organizations (emphasize this) as well as nonprofits not just the County or the private sector.
- ☒ Indicate that counseling services should be maintained or created to help all citizens with housing decisions.
- ☒ State that the county supports establishment of a facility that provides shelter for medically discharged homeless and that can also be used as a detox or substance abuse temporary shelter.
- ☒ Indicate that programs be maintained or created to work with landlords to provide units for aged-out foster children, veterans, and domestic violence victims.
- ☒ State that the County has right of first refusal for units that may be coming out of adu/wfu status. Maybe also state there be a retention program to keep units adu/wfu.

Thank you in advance for sending a copy of your proposed amendment to Prince William County. If you have any questions, please call me in the Planning Office at (703) 792-6830.

Sincerely,

  
Elaine Z. Pugh, AICP  
County Urban Designer

EZP/ms

cc: Raymond Utz, Long Rang Planning Division Chief  
John White, Current Planning Chief  
File  
M070629A

A-28